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**Sent:** Wednesday, March 20, 2013 3:04 PM

**To:** [licensinglistserv@virginiainteractive.org](mailto:licensinglistserv@virginiainteractive.org)

**Subject:** Legislative Changes to Financial Responsibility Reporting Requirements & Applications for Licensure

This file is being sent to providers of assisted living facilities, adult day care centers, child day centers, family day homes, family day systems, children's residential facilities, child placing agencies, independent foster homes and child caring institutions from the Virginia Department of Social Services Email Distribution Service.

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**DATE:** March 20, 2013

**TO:** All Programs Licensed by the Division of Licensing Programs

**FROM:** Lynne A. Williams, Director  
Division of Licensing Programs

**Subject:** Changes in Application for Licensure and Financial Responsibility Requirements

The General Assembly has passed identical bills, Senate Bill 1310 and House Bill 1443 that amend §§63.2-1702 and 63.2-1707 of *The Code of Virginia*.

The legislation changes the process for determining an applicant's financial responsibility both at initial application and at renewal application for all licensed programs.

These changes are effective March 12, 2013 and include:

- Initial applications are required to include an operating budget and one credit reference.
- Renewal applications are not required to include a budget and balance sheet.

Additionally, the bills clarify that records containing confidential proprietary information furnished to the Department of Social Services at application are not subject to disclosure under the Freedom of Information Act.

The chart below is included as an easy reference tool for changes in financial reporting responsibilities. Application forms located on the public website will be updated based on these changes.

TYPE OF APPLICATION	CURRENT APPLICATION REQUIREMENTS	SB 1310/HB 443 APPLICATION REQUIREMENTS
<b>INITIAL</b>	Annual operating statement/working budget Balance sheet Documentation of funds or line of credit for 90 days of operating expenses OR For child welfare agencies only: Financial statement (including balance sheet and income statement accompanied by a letter from a certified public accountant certifying the accuracy thereof) and three credit references	Operating budget and one credit reference
<b>RENEWAL</b>	Annual operating statement/working budget Balance sheet OR For child welfare agencies only: Financial statement (including balance sheet and income statement accompanied by a letter from a certified public accountant certifying the accuracy thereof) and three credit reference	None